

00100/20

FC025583
BR007867

NGC International, Inc.

Financial Statements

For the Year Ended December 31, 2013



NGC INTERNATIONAL, INC.
PROFIT AND LOSS ACCOUNT

(\$ in thousands and in U.S. Dollars)

	<u>DECEMBER 31, 2013</u>	<u>DECEMBER 31, 2012</u>
CUSTOMER SALES	\$ 8,859	\$ 6,193
TOTAL SALES	<u>8,859</u>	<u>6,193</u>
COST OF SALES	(8,434)	(5,922)
GROSS PROFIT	<u>425</u>	<u>271</u>
OTHER EXPENSES:		
INTEREST EXPENSE	-	29
OTHER EXPENSE (NET)	3	3
TOTAL OTHER EXPENSE	<u>3</u>	<u>32</u>
PROFIT BEFORE TAXES	422	239
INCOME TAXES	117	221
PROFIT AFTER TAXES	<u>\$ 305</u>	<u>\$ 18</u>

NGC INTERNATIONAL, INC.

BALANCE SHEET

(\$ in thousands and in U S Dollars)

	Note	<u>DECEMBER 31, 2013</u>	<u>DECEMBER 31, 2012</u>
<u>ASSETS</u>			
Cash and Cash Equivalents		\$ 49	\$ 54
VAT Recoverable		259	26
Prepaid Expenses	2	232	108
TOTAL CURRENT ASSETS		540	188
Property, Plant and Equipment (Net)	3	21	21
Other Assets	4	4	4
Intercompany Receivables		1,881	2,043
TOTAL ASSETS		\$ 2,448	\$ 2,258
<u>LIABILITIES AND SHAREHOLDERS' INVESTMENT</u>			
Other Accruals and Taxes	5	\$ 369	\$ 380
Income Taxes		298	274
TOTAL CURRENT LIABILITIES		667	654
Creditors Amounts falling due after more than one year	6	292	363
TOTAL LIABILITIES		959	1,017
<u>Shareholders' Investment</u>			
Capital Stock		-	-
Retained Earnings	7	1,609	1,304
Accumulated Other Loss		(122)	(65)
TOTAL SHAREHOLDERS' INVESTMENT		1,487	1,239
TOTAL LIABILITIES AND SHAREHOLDERS' INVESTMENT		\$ 2,448	\$ 2,258

Signed on behalf of the board of directors



NGC INTERNATIONAL, INC.
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER, 2013

1 ACCOUNTING POLICIES

Accounting convention

These unaudited financial statements include the accounts of NGC International, Inc (herein referred to as "NGC International, Inc " (the "company") The company's unaudited financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States of America (US GAAP)

Currency translation

The assets and liabilities of the company's foreign operations whose functional currency is other than the US dollar are translated at the exchange rates in effect on the reporting date, while income and expenses are translated at the weighted average exchange rate during the period. The net effect of such translation gains or losses of assets and liabilities is not included in Profit after taxes, but is accumulated as a separate component within Company reserves. Foreign currency transaction gains and losses are included in determining Profit after taxes.

2. PREPAID EXPENSES

	2013 US\$ '000'S	2012 US\$ '000'S
Prepaid Rent	109	108
Other	123	0
	<u>232</u>	<u>108</u>

3. Tangible Fixed Assets

	Computer Equipment US\$ '000'S
Cost	
At 1 January 2013	31
Additions	12
At 31 December 2013	<u>43</u>
Accumulated Depreciation	
At 1 January 2013	10
Depreciation	12
At 31 December 2013	<u>22</u>
Net book value	
At 31 December 2013	<u>21</u>
At 31 December 2012	<u>21</u>

NGC INTERNATIONAL, INC.
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER, 2013

4.	OTHER ASSETS AND RECEIVABLES	2013 US\$ '000'S	2012 US\$ '000'S
	Environmental assets	4	4
		<u>4</u>	<u>4</u>
5	OTHER ACCRUALS AND TAXES	2013 US\$ '000'S	2012 US\$ '000'S
	Accrued Rent	219	217
	Other accruals	150	163
		<u>369</u>	<u>380</u>
6.	CREDITORS' AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2013 US\$ '000'S	2012 US\$ '000'S
	Accrued Rent	288	359
	Provision for removal of tenant improvements	4	4
		<u>292</u>	<u>363</u>
7	RETAINED EARNINGS	2013 US\$ '000'S	2012 US\$ '000'S
	Opening Retained Earnings	1,304	1,286
	Profit for the year	305	18
	Closing Retained Earnings	<u>1,609</u>	<u>1,304</u>

NGC INTERNATIONAL, INC.

Statement of Cash Flows for the Year Ended December 31, 2013 (\$ in thousands and in US Dollars)

	DECEMBER 31, 2013
Cash flow from operating activities:	
Net income	\$ 305
Adjustment for:	
Depreciation and amortization	12
Movement in cumulative translation	(57)
Increase in VAT recoverable	(233)
Increase in prepaid expenses	(124)
Decrease in long term assets	162
Increase in other accruals and taxes	13
Decrease in long term liabilities	(71)
Net cash provided by operating activities	\$ 7
Cash flow from investing activities:	
Purchase of fixed assets	(12)
Net cash used in investing activities	\$ (12)
Cash flow from financing activities:	
Net cash flow from financing activities	-
Total net cash flow	\$ (5)
Cash and cash equivalents at beginning of the year	\$ 54
Cash and cash equivalents at end of the year	\$ 49